

News Release

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USDA ANNOUNCES PRICE SUPPORT LEVELS, BY TYPE, FOR 1998 PEANUTS

WASHINGTON, June 22, 1998 -- The U.S. Department of Agriculture today announced the average price support levels by type, quality, and location for the 1998 peanut crop. These levels are based on national price support levels of \$610.00 per short ton for quota peanuts and \$175.00 per short ton for additional peanuts.

The quota price support level by type for an average grade ton of 1998-crop peanuts will be:

- \$601.74 for Virginia-type peanuts
- \$615.38 for Runner-type peanuts
- \$571.43 for Spanish-type peanuts
- \$601.74 for Valencia-type peanuts from the Southwest area which are suitable for cleaning and roasting, and,
- \$571.43 for other Valencias.

The method of computing the price support levels for 1998-crop peanuts and the grades within the types is the same as last year.

For each percent of sound mature kernels in a ton, including sound split kernels, the price support level will be:

- Virginia-type peanuts, \$8.830;
- Runner-type peanuts, \$8.657;
- Spanish-type peanuts, \$8.614;
- Valencia-type peanuts in the Southwest area which are suitable for cleaning and roasting, \$9.021;
- Other Valencias, \$8.614.

The loan value for additional peanuts is 28.69 percent of the applicable quota price support level. The factor represents the ratio of the \$175.00 per short ton average national price support level for additional peanuts to the \$610.00 per short ton average national price support level for quota peanuts.

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The deductions and discount schedules that were applicable to the 1997 crop peanuts will be generally applicable to the 1998 crop. However, there is an additional requirement for the 1998 crop that, if the producer fails to certify that Monosodium Methanearsenate (MSMA) or Disodium Mathanearsenate (DSMA) were not used in the production of peanuts for the current crop year, the producer will not be issued a peanut marketing card. Even if the producer makes the above certification and it is later determined that the peanuts have been adulterated with MSMA or DSMA, the price support loan value for either quota or additional peanuts in that load will be zero dollars per ton.

The actual price support level for an individual lot of peanuts will depend on the percent of the various sizes of the kernels in each ton of peanuts and other factors.

Further program information is available from Solomon Whitfield, (202) 720-5988, e-mail Solomon_Whitfield@wdc.fsa.usda.gov

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